

PRE-APPEAL BRIEF CONFERENCE

RESPONDING TO EXAMINER'S ADVISORY ACTION & SELECTED COMMENTS
FROM INTERVIEW 06.24.2008

- 5 The Appellant refers to Advisory Action dated 5.29.2008 under Heading 'Continuation Sheet (PTO-330)' at 3 line in reply to the Appellant's element (herein 'the element') in Claim 1 "...requirement to syndicate a loan opportunity.."

10 The examiner stated that "to syndicate." as an intended use of an receiving step, a recitation of the intended use of the claimed invention must result in a structural difference between the claimed invention and the prior art in order to patentably distinguish the claimed invention from the prior art. If the prior art structure is capable of performing the intended use, then it meets the claim...etc

- 15 The first element in Claim 1 is repeated in full for clarity below:

"receiving a request to post a requirement to syndicate a loan opportunity by a first entity over a network"

- 20 Firstly, it is submitted that "a requirement to syndicate" must be read as a whole to reveal "syndication requirement" which means it could not be intended use of a receiving step. In contrast, it should also be noted that prior to this Advisory Action, in Final Action Letter 4.16.2008 at page 7 and 8, the examiner had replied that the same element is non-functional type by citing Re Gulack. This non-functional type rejection was not
25 previously found in Action Letter Jan 10 2008 and therefore was only added in reply to Appellant's response dated 3.3.2008 in said Final Action Letter.

- It is apparent that the Appellant must have succeeded against this "non-functional" type rejection as it has shifted to the above "intended use of a receiving step". Be that as it
30 may, by stating that "to syndicate" as an intended use the examiner had contradicted himself by admitting it is now a functional element. BUT the real complaint here is that the Examiner had NOT shown anything from the prior art (Tengel) to suggest "the prior art structure is capable of performing the intended use, then it meets the claim. In fact, the entire sentence starts with "IF" which may very well suggest a possibility not a
35 probability. It is clear Tengal has nothing to do with syndication as admitted by the Examiner in our conversation on 24 June 2008.

- The Appellant respectfully submits the explanation in reply by the Examiner in the Final Rejection ("non-functional") and Advisory Action ("to syndicate"), takes the form of a
40 new rejection which is unsustainable. The Appellant objects to the Examiner introducing 'rejection' in the form of reply as it unfairly prejudice the Appellant being unable to response except by way of this Appeal.

And clearly from the Advisory Action by couching "IF" in this context, the Examiner failed to show how Tengel could teach ("to syndicate") to enable a response from the Appellant. The fact that Tengel could handle the matching of borrowers and lenders does not necessarily mean it could also perform syndication and even if it could syndicate (which is denied), its teaching deals with matching one-on-one and not syndication (multiple parties). Loan Acceptance Criteria is described by Tengel as "Attributes the lender requires to be possessed by a potential borrower in order to make a loan available to that borrower. " while Loan Attributes are described as "Each of the features, including pricing, credit limit, and terms associated with a loan". (Col 4 line 20-35) which clearly show these are one-on-one transactions. Therefore, there is no prima facie for a 103(a) obviousness rejection.

Not all elements in Claim 1 have been satisfied.

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| displaying information about said requirement accessible by any entities over said network; | As for accessibility to ANY entities on the network, the Examiner merely replied that ALL entities are not recited in the rejected claims in Final Action Letter (page 8). As for Fig 3A and 3B in Tengel, there is no teaching that it is accessible by ANY entities. This ANY is clearly understood to mean (as broadly) ANYONE or ALL. Clearly Tengel made no teaching that information is accessible to ALL, the closest in Tengel that can be seen is the competitive rate which is accessible by lenders only (See Col 3 line 39-44) |
| in response to said requirement, said first entity <u>receiving</u> an online comment from one or more second entities about conditions and terms of said loan opportunity over said network; | Adams actually teaches commenting on the documents themselves with SELECTED entities in contrast here which is ONLINE comments with any second entities. Note, <u>it is these second entities responding to said requirement to the first entity's posting and not in reverse.</u> This clearly shows the free will of the second entities which are not dependent on the first entity or SELECTED by first entity. The difference is significant as Adams already chosen the entities to work with while in |

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| | <p>this claimed element, first entity is still searching for the entities to syndicate with BUT <u>the action is done by the second entities in response to first entity's posting its requirements</u>. This reverses the role of finder being the first entity to a passive one until it receives a comment in contrast to Adams where the first entity does the selecting and already selected the entities.</p> |
| <p>in response to said comment, enabling said first entity to negotiate said conditions and terms with said second entity or other different second entities over said network about committing at least a portion of said loan opportunity in aggregate with different entities forming a loan syndicate;</p> | <p>Secondly, the comment module 66 of Adams is not for ONLINE communications with first entity (Col 12 line 5-7). Comments in Adams means making comments in a document (Col 3 line 55) such as Mark Up or Strikeout of text. Amendments using amendment module 62 in Adams but are appended on the document which is then accessible to authorised users (col 11 line 53 to col 12 line 7). In fact Adams only teach using email to send comments to the originator (Col 14 line 48) and not by <u>online</u> means (for example see Application Fig 9 similar to chat programs where both parties have to be ONLINE in real time.)</p> |
| <p>providing ratings associated with the entities based on past syndication data; and</p> | <p>Be that as it may, it is humbly submitted that while rating per se is taught above, there is no direct teaching of rating of syndicators (ie in terms of number of syndication they have done in the past) which has nothing to do with debt or equity. As stated in Goldblatt, its rating deals with qualitative aspect (see para 9-14) including track record of BUYOUT firms. In para 18, it also states that Bank Loan Syndicators and investors welcomed the new attention that Leverage Buyout Firms (LBO) transactions were drawing from the rating agency which clearly means the</p> |

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| | teaching is for LBO and not Loan Syndicators. Lastly, the examiner did not explain how credit rating of LBO and equity placement must inherently shows syndication data. |
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Whether it is obvious (Tengel and Adams) ?

- 5 Tengel teaches an AUTOMated way to MATCH lenders and borrowers while Adams teaches a way to comment on security documents with SELECTED parties.

The examiner provided the apparent reason for combining as it is obvious reason **for negotiating the terms of the loan carried over the network** (Action Letter 1.10.2008 at page 4.)

15 With respect, the Appellant must submit that is not merely conclusory but also flawed and contrary to the arts themselves. Firstly, Tengel is an automated way to match lenders and borrowers which is well known to be more efficient than ‘negotiating’ (element found in the claim). The question is why would one skilled in the art modify this over automation to enable “negotiate” in order to select the entities (borrowers/lenders).

20 Even if an apparent reason could be found to modify to “negotiate” there is no reason to combine with Adam, as Adams taught ‘negotiating’ with SELECTED entities over security documents. Hence, if the entities are already SELECTED then why is there a need to combine with prior art (Tengel) that is teaching a selection method ?

25 In contrast to Adams, this Claimed invention is a method where negotiating is used to identify entities (second entities responding to first entity’s requirement), by negotiating with unselected (unknown) entities that is critical (which is not taught by Adams) which on its own decides whether to response to the first entity’s requirements. These unselected (second) entities is claimed as **ANY** who can access the network. It is obviously different to negotiating with SELECTED entities in Adams as in Adams, the first entity knows who are the second entities already.

30 It is because of unknown/unselected second entities seeking the passive first entity to negotiate that differentiates with Tengel as the mode of selecting as opposed to blindly matching according to criteria/attributes. It is obvious the Examiner had ignored that this Claimed invention as a **WHOLE** is for syndication with unselected (ANY) second entities
35 by negotiation. As mentioned in our interview (24.6.2008), syndication is the aggregation

of a group of lending entities wanting to lend by way of a loan, it is not a kind of loan like house loan, car loan etc.

5 Whether it is obvious (Tengel, Adams and Goldblatt and Connolly) ?

Even assuming this 'rating' element has been taught (which is denied), the Examiner stated "it would be have been obvious to one of the ordinary skill in the art at the time of the invention to rate lenders based on their past syndication performance." The applicant
10 respectfully submits that this is a mere conclusion and without an apparent reason to combine all three, the examiner has failed to make out a prima facie case. As the Appellant already submitted, in Adam's teaching, the syndicator has already SELECTED the entities to participate in the syndication therefore why the apparent need to RATE
15 selected entities ? And in Tengal, the requirements are defined by matching the attributes/criteria, hence there is no connection at all to syndication rating of the lender. It is unknown in the art of syndication rating to influence the matching of borrowers/lenders and no explanation was provided as to this need for rating in view of Adams.

Conclusion

20 While the Appellant had only rebutted the Examiner's rejection for Claim 1 as above, it is understood that the other independent claims different only in terms of class, would be the same as rebutted above. With respect, the Appellant submits these rejections are
25 unsustainable and therefore should be withdrawn.

Yours truly,



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